

Adopted

Rejected

COMMITTEE REPORT

YES: 6

NO: 5

MR. SPEAKER:

*Your Committee on Employment and Labor, to which was referred Senate Bill 508, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new a
- 2 paragraph and insert:
- 3 "SECTION 1. IC 5-16-7-1 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Any firm,
- 5 individual, partnership, limited liability company, or corporation that
- 6 is awarded a contract by the state, a political subdivision, or a
- 7 municipal corporation for the construction of a public work, and any
- 8 subcontractor of the construction, shall pay for each class of work
- 9 described in subsection (c)(1) on the project a scale of wages that may
- 10 not be less than the common construction wage.
- 11 (b) For the purpose of ascertaining what the common construction
- 12 wage is in the county, the awarding governmental agency, before
- 13 advertising for the contract, shall set up a committee of five (5) persons
- 14 as follows:
- 15 (1) One (1) person representing labor, to be named by the
- 16 president of the state federation of labor.

1 (2) One (1) person representing industry, to be named by the
2 awarding agency.

3 (3) A third member to be named by the governor.

4 (4) One (1) taxpayer who pays the tax that will be the funding
5 source for the project and resides in the county where the project
6 is located. The owner of the project shall make the appointment
7 under this subdivision.

8 (5) One (1) taxpayer who pays the tax that will be the funding
9 source for the project and resides in the county where the project
10 is located. The legislative body (as defined in IC 36-1-2-9) for the
11 county where the project is located shall make the appointment
12 under this subdivision.

13 (c) As soon as appointed, the committee shall meet in the county
14 where the project is located and determine in writing the following:

15 (1) A classification of the labor to be employed in the
16 performance of the contract for the project, divided into the
17 following three (3) classes:

18 (A) Skilled labor.

19 (B) Semiskilled labor.

20 (C) Unskilled labor.

21 (2) The wage per hour to be paid each of the classes.

22 The committee is not required to consider information not presented to
23 the committee at the meeting. IC 5-14-1.5 (open door law) applies to a
24 meeting of the committee.

25 **(d) Notice of the committee's meeting shall be published:**

26 **(1) as required by IC 5-3-1; and**

27 **(2) on the Internet through the computer gateway**
28 **administered by the intelnet commission under IC 5-21-2.**

29 **The notice given under subdivision (2) must be published not later**
30 **than forty-eight (48) hours before the meeting. A determination**
31 **made at a meeting held in violation of this subsection is void.**

32 ~~(d)~~ (e) The rate of wages determined under subsection (c) shall not
33 be less than the common construction wage for each of the three (3)
34 classes of wages described in subsection (c) that are currently being
35 paid in the county where the project is located.

36 ~~(e)~~ The provisions of (f) This chapter ~~shall~~ **does** not apply to
37 contracts let by the Indiana department of transportation for the
38 construction of highways, streets, and bridges. IC 8-23-9 applies to

1 state highway projects.

2 ~~(f)~~ **(g)** A determination under subsection (c) shall be made and filed
3 with the awarding agency at least two (2) weeks ~~prior to~~ **before** the
4 date fixed for the letting, and a copy of the determination shall be
5 furnished upon request to any person desiring to bid on the contract.
6 The schedule is open to the inspection of the public.

7 ~~(g)~~ **(h)** If the committee appointed under subsection (b) fails to act
8 and to file a determination under subsection (c) ~~at or before the time~~
9 **required under by the deadline set forth in** subsection ~~(f)~~, **(g)**, the
10 awarding agency shall make the determination, and its finding shall be
11 final.

12 ~~(h)~~ **(i)** It shall be a condition of a contract awarded under this chapter
13 that the successful bidder and all subcontractors shall comply strictly
14 with the determination made under this section.

15 ~~(i)~~ **The provisions of (j)** This chapter ~~do~~ **does** not apply to public
16 projects in ~~this state~~ **Indiana** that would otherwise be subject to ~~the~~
17 ~~provisions of~~ this chapter that are to be paid for in whole or in part with
18 funds granted by the federal government, unless the department of the
19 federal government making the grant ~~shall consent~~ **consents** in writing
20 that ~~the provisions of~~ this chapter ~~are~~ **is** applicable to the project.

21 ~~(j)~~ **(k)** Notwithstanding any other law, ~~the provisions of~~ this chapter
22 ~~apply~~ **applies** to projects that will be:

- 23 (1) owned entirely; or
24 (2) leased with an option to purchase;
25 by the state or a political subdivision (as defined in IC 36-1-2-13).

26 ~~(k)~~ **(l)** Notwithstanding any other law, this chapter does not apply to
27 projects in which the actual construction costs less than ~~one two~~
28 hundred fifty thousand dollars ~~(\$150,000)~~. **(\$250,000)**.

29 SECTION 2. IC 22-2-5-1 IS AMENDED TO READ AS
30 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. (a) Every person,
31 firm, corporation, limited liability company, or association, their
32 trustees, lessees, or receivers appointed by any court, doing business in
33 Indiana, shall pay each employee at least semimonthly or biweekly, if
34 requested, the amount due the employee. The payment shall be made
35 in lawful money of the United States, by negotiable check, draft, or
36 money order, or by electronic transfer to the financial institution
37 designated by the employee. Any contract in violation of this
38 subsection is void.

(b) Payment shall be made for all wages earned to a date not more than ten (10) **business** days prior to the date of payment. ~~However,~~ This subsection does not prevent payments being made at shorter intervals than specified in this subsection, nor repeal any law providing for payments at shorter intervals. ~~However,~~ If an employee voluntarily leaves employment, either permanently or temporarily, the employer shall not be required to pay the employee an amount due the employee until the next usual and regular day for payment of wages, as established by the employer. If an employee leaves employment voluntarily, and without the employee's whereabouts or address being known to the employer, the employer is not subject to section 2 of this chapter until:

- (1) ten (10) **business** days have elapsed after the employee has made a demand for the wages due the employee; or
- (2) the employee has furnished the employer with the employee's address where the wages may be sent or forwarded.

SECTION 3. IC 22-2-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) Any assignment of the wages of an employee is valid only if all of the following conditions are satisfied:

- (1) The assignment is:
 - (A) in writing;
 - (B) signed by the employee personally;
 - (C) by its terms revocable at any time by the employee upon written notice to the employer; and
 - (D) agreed to in writing by the employer.
- (2) An executed copy of the assignment is delivered to the employer within ten (10) days after its execution.
- (3) The assignment is made for a purpose described in subsection (b).

(b) A wage assignment under this section may be made for the purpose of paying any of the following:

- (1) Premium on a policy of insurance obtained for the employee by the employer.
- (2) Pledge or contribution of the employee to a charitable or nonprofit organization.
- (3) Purchase price of bonds or securities, issued or guaranteed by the United States.

- 1 (4) Purchase price of shares of stock, or fractional interests
2 therein, of the employing company, or of a company owning the
3 majority of the issued and outstanding stock of the employing
4 company, whether purchased from such company, in the open
5 market or otherwise. However, if such shares are to be purchased
6 on installments pursuant to a written purchase agreement, the
7 employee has the right under the purchase agreement at any time
8 before completing purchase of such shares to cancel said
9 agreement and to have repaid promptly the amount of all
10 installment payments which theretofore have been made.
- 11 (5) Dues to become owing by the employee to a labor
12 organization of which the employee is a member.
- 13 (6) Purchase price of merchandise sold by the employer to the
14 employee, at the written request of the employee.
- 15 (7) Amount of a loan made to the employee by the employer and
16 evidenced by a written instrument executed by the employee
17 subject to the amount limits set forth in section 4(c) of this
18 chapter.
- 19 (8) Contributions, assessments, or dues of the employee to a
20 hospital service or a surgical or medical expense plan or to an
21 employees' association, trust, or plan existing for the purpose of
22 paying pensions or other benefits to said employee or to others
23 designated by the employee.
- 24 (9) Payment to any credit union, nonprofit organizations, or
25 associations of employees of such employer organized under any
26 law of this state or of the United States.
- 27 (10) Payment to any person or organization regulated under the
28 Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit
29 to the employee's account by electronic transfer or as otherwise
30 designated by the employee.
- 31 (11) Premiums on policies of insurance and annuities purchased
32 by the employee on the employee's life.
- 33 (12) The purchase price of shares or fractional interest in shares
34 in one (1) or more mutual funds.
- 35 (13) A judgment owed by the employee if the payment:
36 (A) is made in accordance with an agreement between the
37 employee and the creditor; and
38 (B) is not a garnishment under IC 34-25-3.

(14) Payment for the purchase or maintenance of uniforms worn by the employee while performing duties for the employer.

(15) Payment for the purchase of tools and portable equipment used by the employee while performing duties for the employer.

SECTION 4. IC 22-2-9-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 5. **(a)** The commissioner of labor is hereby authorized to take assignments of wage claims of less than ~~eight hundred dollars (\$800.00)~~, **three thousand dollars (\$3,000)**, rights of action for penalties, mechanics and other liens of workers, without being bound by any of the technical rules with reference to the validity of such assignments; and shall have power and authority to prosecute actions for the collection of such claims of persons who, in the judgment of the commissioner:

(1) are entitled to the services of the commissioner; and ~~who, in his judgment,~~

(2) have claims which are valid and enforceable in the court.

(b) The commissioner shall have power to join various claimants in one (1) preferred claim or lien, and, in case of suit, to join them in one (1) cause of action."

Page 5, between lines 10 and 11, begin a new paragraph and insert:

"SECTION 8. IC 22-3-3-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 21. In ~~all~~ cases of the death of an employee from an injury by an accident arising out of and in the course of the employee's employment under ~~such~~ circumstances that the employee would have been entitled to compensation if death had not resulted, the employer shall pay the burial expenses of such employee, not exceeding ~~six~~ **seven** thousand **five hundred** dollars ~~(\$6,000)~~: **(\$7,500)**."

Page 5, line 11, delete "IC 22-3-6-1" and insert "IC 22-3-6-1, AS AMENDED BY HEA1288-2005, SECTION 182,".

Page 8, line 8, delete "IC 20-8.1-4-25," and insert "IC 20-33-3-35,".

Page 8, line 22, delete "IC 20-10.1-6-7" and insert "IC 20-37-2-7".

Page 9, line 24, delete "IC 20-10.1-6-7," and insert "IC 20-37-2-7,".

Page 16, between lines 39 and 40, begin a new paragraph and insert:

"SECTION 12. IC 22-3-7-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 15. In ~~all~~ cases of the

1 death of an employee from an occupational disease arising out of and
 2 in the course of the employee's employment under ~~such~~ circumstances
 3 that the employee would have been entitled to compensation if death
 4 had not resulted, the employer shall pay the burial expenses of such
 5 employee, not exceeding ~~six~~ **seven** thousand **five hundred** dollars
 6 ~~(\$6,000): (\$7,500).~~".

7 Page 22, after line 4, begin a new paragraph and insert:

8 "SECTION 14. IC 22-5-6 IS ADDED TO THE INDIANA CODE
 9 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 10 JULY 1, 2005]:

11 **Chapter 6. Employer Sales to Employees**

12 **Sec. 1. An employer may not sell to an employee of the**
 13 **employer:**

14 (1) merchandise; or

15 (2) supplies;

16 **at a price higher than the price at which the employer sells the**
 17 **merchandise or supplies for cash to another person who is not an**
 18 **employee of the employer.**

19 **Sec. 2. A person who violates section 1 of this chapter commits**
 20 **a Class C infraction.**

21 SECTION 15. IC 22-2-4 IS REPEALED [EFFECTIVE JULY 1,
 22 2005].

23 SECTION 16. [EFFECTIVE JULY 1, 2005] (a) **IC 22-2-9-5, as**
 24 **amended by this act, applies to wage claims filed with the**
 25 **commissioner of labor after June 30, 2005.**

26 (b) **This SECTION expires January 1, 2006.**

27 SECTION 17. [EFFECTIVE JULY 1, 2005] **IC 5-16-7-1, as**
 28 **amended by this act, applies to projects for which a contract is**

1 **awarded after June 30, 2005. IC 5-16-7-1, as in effect before July**
2 **1, 2005, applies to projects for which a contract was awarded**
3 **before July 1, 2005."**

4 Renumber all SECTIONS consecutively.
 (Reference is to SB 508 as reprinted February 23, 2005.)

and when so amended that said bill do pass.

Representative Torr